

**Washington State Economic Development Commission
Regular Meeting – February 14, 2008
Olympia WA**

ATTENDANCE

Commissioners

Bacon, Connie
Bonanzino, Tony
Breese, Jack
Dressel, Melanie
Gardner, John
Kendall, Bruce
Knutzen, Roger
Lee, Karen
Papadakis, Eleni
VanAusdle, Steve
Wilkerson, Juli

Commission Staff

Egils Milbergs – Executive Director

State Agency Staff

Julie Anderson
Gary Kamimura
Jennifer Thornton
Larry Williams

Others

Ginger Eagle
Lee Cheatham
Vicky Carwein

Call to Order

Commission Chair Melanie Dressel called the meeting to order at 9:00 AM. Commissioners were welcomed and introduced.

Approval of Minutes

The meeting minutes of January 10, 2008 were presented for review. It was noted that the Commission's By-Laws were adopted at the January 10 meeting and the action was reflected in the minutes. There was a motion made and seconded to approve the minutes of January 10, 2008. Motion passed.

Election of Vice-Chair

In accordance with the By-Laws, the Chair presided over the nomination and election of the Commission's Vice-Chair. The Chair called for nominations. There was a motion made and seconded to elect Steve VanAusdle for Vice-President. Mr. VanAusdle expressed his willingness to serve. The Chair called for additional nominations. Hearing none, the motion to elect Steve VanAusdle was brought for a vote. Motion passed.

Egils Milbergs

The Chair introduced the new Executive Director of the Commission, Mr. Egils Milbergs. She remarked that his appointment was announced by Governor Chris Gregoire on January 23, 2008 after a nation-wide search. Mr. Milbergs is a noted thought leader and strategist in global innovation, advanced manufacturing, competitiveness and public-private partnerships.

Mr. Milbergs made introductory comments, expressing enthusiasm for Washington State and the work of the Commission.

Delegation of Authorities for the 07 – 09 Biennium

In accordance with its statutory authority, and in compliance with applicable laws and regulations, the Commission sought to establish parameters and procedures to administer its operations.

A Draft Policy for Administrative Authority was reviewed. After discussion, a motion was made and seconded to adopt the policy of Administrative Authority for 07-09 Biennium, as presented. Motion passed.

Executive Director's Report

A summary table of the Commission's required work (policy items, special reports, and recurring reports) was reviewed and accepted by the Commission.

The Director brought forward a **Draft 08-09 Budget**. Discussion followed about whether existing funds were adequate to complete the work at hand. The Director confirmed for the Commissioners that this was a proposed management budget and, in compliance with the Delegation of Authorities and the By-Laws, the Director would be able to manage the budget and adjust line items, as required. A motion was made and seconded to adopt the 08-09 Budget as presented. Motion passed.

The Director brought forward a **Draft Policy for the Economic Development Commission budget**, outlining a future budget process reflecting the fact that fund sources come from both the Governor's Office as well as the State Legislature. It was noted that following a process will help the Commission with clear accounting and a timely request for funds.

Julie Anderson, CTED, presented an overview of the requirement for an **inventory of state economic programs**, due June 2008 (SSSB 5995). She tested several assumptions with the Commissioners present, and asked for feedback about what the Commission wanted to see in the final product. It was concluded that the Commission wants to identify state-funded economic development activities, describe it as a system, and then understand the system's independencies and gaps and duplications. Commissioners expressed an interest in including private sector elements in the inventory, which are not state-funded, so they might see those points of connection.

Discussion followed about the need to hire a contractor to "pull together" the inventory data and provide system analysis / graphic representation / mapping. The Executive Director will take appropriate action to secure such a contractor. Julie Anderson, on behalf of CTED, will initiate the basic information-gathering needed from state agencies for the inventory.

Bryan Wilson, Workforce Board, could not be present at the Commission meeting. Therefore, Julie Anderson, CTED, presented Mr. Wilson's memo reviewing the requirement for a statewide **Industry Cluster Inventory** (SHB 1091 sec 02). This project has been on hold, pending the hire of the Commission's Executive Director. Mr. Wilson sought Commission concurrence to re-assemble the Advisory Group and begin the technical work for the cluster inventory. Commissioners present agreed that the work needs to move forward.

Julie Anderson, CTED, presented CTED's proposed **performance criteria and reporting requirements for Innovation Partnership Zones** (SHB 1091 sec 01). The legislation requires CTED to seek input from the Commission about the criteria. The Commissioners present did not recommend any changes. The IPZs will need to report their outcomes annually. The first report is due September 01, 2008.

Commissioner Reports

Commissioner John Gardner introduced WSU Chancellor Vicki Carwein, and Birgitte Kiær Ahring, Ph.D., researcher in the field of biofuels/bioproducts who will help lead the new Bioproducts, Sciences and Engineering Laboratory (BSEL) at WSU Tri-Cities. Tri-Cities is one of the state's 2007 designated Innovation Partnership Zones.

Washington Technology Center

Lee Cheatham, the Executive Director of the Washington Technology Center made a special presentation about economic development and the challenges of commercializing technology.

Next Steps

Egils Milbergs introduced a discussion about priorities and how to maintain a strategic focus. The summary policy frameworks of The Next Washington and the Recommendations of the Competitiveness Council were handed out.

The Commissioners present requested that the next meeting be devoting wholly to these questions about the vision, mission, strategic goals and success metrics of the Commission.

Adjournment

Chair Melanie Dressel adjourned the meeting at 12:00 PM.